ORDINANCE 2018 - <u>09</u>

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON, AMENDING SECTION 13.32.080 OF THE SUNNYSIDE MUNICIPAL CODE PERTAINING TO BASE UTILITY CHARGES FOR THE AMBULANCE UTILITY.

WHEREAS, the City Council of the City of Sunnyside has previously adopted ordinances establishing the Sunnyside Ambulance Utility codified at Chapter 13.32 of the Sunnyside Municipal Code; and

WHEREAS, Section 13.32.080 of such code provides for base utility charges and rates, which rates are subject to annual adjustment to defray costs of maintenance, operation and capital improvements necessary and appropriate to promote efficient operation of the utility; and

WHEREAS, a cost-of-service study for the EMS program pursuant to RCW 35.21.766 (3) was performed; and

WHEREAS, the City Council finds and determines that the monthly base utility rate should be increased to \$16.56 (an increase of \$8.28) to meet such needs of the utility; and

WHEREAS, the City Council finds and determines that the calculation of the monthly base utility changes should be amended to meet such needs of the utility; and

WHEREAS, the City Council finds and determines that such amendment is in the best interests of residents of the City of Sunnyside and will promote efficient operation of the Sunnyside Ambulance Utility and will promote the general health, safety and welfare.

NOW THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON, as follows:

<u>Section 1.</u> Section 13.32.080 of the Sunnyside Municipal Code is hereby amended to read as follows:

13.32.080 Base utility charges.

A. <u>City Utility Zone Fee Formula</u>. A monthly service fee for the operations of the utility shall be established from time to time by ordinance of the city council in conformity with RCW 35.21.776. The amount of the fee shall be based upon cost of regulating ambulance services and the cost of providing the EMS program as determined by a cost-of-service study done pursuant to RCW 35.21.766 (3)

Those costs, after deducting transport charges and other fund contributions shall be divided among Sunnyside residents and other occupants based on a calculation of demand costs and availability costs, consistent with accepted principles of utility rate setting.

- 1. The rate attributable to availability costs of the utility shall be uniformly applied across all user classifications within the city utility zone.
- 2. The rate attributable to the demand costs shall be established and billed to each user classification based on each users classification's burden on the utility.
- 3. The base utility charge shall be collected and enforced in the same manner and with the procedures established for city utilities including, but not limited to, water, sewer and garbage utilities.
- B. <u>Base Utility Charge Rates</u>. The following monthly utility charges shall be assessed and collected:

- 1. Residential units. Each residential unit shall be assessed a monthly base utility charge in the amount of \$16.56.
- 2. Commercial businesses and industries. Each commercial business shall be assessed a monthly base utility charge in the amount of \$16.56 for each "equivalent residential unit (ERU)" computed as follows. The ERU shall be calculated by dividing the total number of employees employed by such business or industry, up to a maximum of 200 employees, by the number representing the average "household size" of residential and housing units within the City (as published from time to time by the Office of Financial Management of the State of Washington). (Note: For purposes of initial calculation, the household size is 3.6 persons per household according to current OFM calculations. The total number of employees would thus be divided by 3.6, and the resulting number multiplied by \$16.56 to equal the base utility charge; provided, however, that a church shall not be assessed a base utility charge greater than \$16.56.
- 3. <u>Hotels/Motels</u>. Each hotel/ motel shall be assessed a monthly base utility charge based on the total number of rooms assuming a 1.5 occupancy per room average. The total number of rooms per hotel/motel will be multiplied by 1.5 the average occupancy factor then divided by the ERU (3.6). This product will then be multiplied by the annual average of occupied rooms of 48%.

- 4. Assisted living and Nursing Homes. Any nursing home or rest home which is licensed by the state of Washington or adult family home or assisted living facility shall be billed based upon the number of rooms per facility. Those rooms occupied by residents whom are Medicaid eligible shall be exempt from this calculation. The number of residential units shall be based upon the number of residential units authorized for the facility by the governmental agency having jurisdiction over such matters.
- 5. Adjustment of Base Utility Rate. The base utility rate may be adjusted annually by the City Manager to reflect adjustments or changes in maintenance and operations costs of the ambulance utility; provided, however, that no annual increase shall exceed six percent without prior approval of the City Council. In the event such rate is modified, the City Manager shall post the new rate at the offices of City Hall and the offices of the Sunnyside Fire Department and may distribute or publish such new rate as deemed appropriate to advise the public.
- 6. Medicaid adjustment. As provided by SMC 13.32.080, the base rate established above shall be adjusted for persons who are Medicaid eligible and who reside in a nursing home, boarding home, adult family home, or receive in-home services. Any customer seeking an exemption from the utility fee must file a written Medicaid exemption application to the Finance Director. Medicaid eligibility will be verified before an exemption is granted.

C. <u>Emergency Medical Services and Ambulance Fund</u>. All base utility charge revenues collected pursuant to this chapter shall be deposited by the City into the Emergency Medical Services and Ambulance Fund. Such revenues shall be used solely for the operation, maintenance and capital needs of the ambulance service utility and emergency medical services provided thereby.

<u>Section 2</u>. Except as amended herein, the provisions of Chapter 13.32 of the Sunnyside Municipal Code shall remain unchanged.

<u>Section 3</u>. This Ordinance shall be effective five days after passage, approval and publication as required by law, and the utility rates adopted herein shall apply to the first billing issued in January 2019 and all subsequent billings.

PASSED this 13th day of November, 2018.

JULIA HART, MAYOR

ATTEST:

JACQUELIME RENTERIA, CITY CLERK

APPROVED AS TO FORM:

KERR LAW GROUP, LLP

Attorneys for the City of Sunnyside